

# Workers getting \$12M in settlements of SeaTac minimum-wage cases

Originally published September 2, 2016 at 1:23 pm Updated September 2, 2016 at 1:27 pm

Several companies that provide transportation and hospitality services at or near Seattle-Tacoma International Airport have agreed to settle back-pay lawsuits alleging that they ignored the nation's first \$15 minimum wage law after it took effect.

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Associated Press

The Seattle Times

September 2, 2016

Several companies that provide transportation and hospitality services at or near Seattle-Tacoma International Airport have agreed to settle back-pay lawsuits alleging that they ignored the nation's first \$15 minimum wage law after it took effect, deals that will put more than \$12 million in the pockets of their current and former workers.

The cases are among about two dozen filed against businesses that include airport staffing firms, rental car agencies, hotels and parking lots in SeaTac, where the airport is located. Since the city passed the nation's first \$15-an-hour minimum wage law in 2013, Seattle, San Francisco, New York, Washington, D.C., and other cities have followed.

Many employers questioned the law's validity and declined to immediately follow it. The state Supreme Court upheld the measure a year ago in a 5-4 ruling, and attorneys for the workers began filing lawsuits seeking back pay for the roughly two years that the companies failed to pay \$15 an hour. Some businesses began paying the minimum wage following the ruling, but argued that it wasn't clear that they were required to fork over the retroactive pay.

"Whenever you pass a labor law, you need it to be enforced for it to be real for the workers," said Nicole Vallesterio Keenan, who worked on the SeaTac minimum wage campaign and now is the executive director of the Seattle-based Fair Work Center, a nonprofit that works on enforcing labor laws. "If you're living paycheck to paycheck and you receive \$10,000 in back wages that are owed to you, that can be an enormous factor in changing one's life."

The largest known settlement so far comes from Menzies Aviation, which has provided baggage-handlers and ramp workers at Sea-Tac for Alaska Airlines since 2005, when the airline locked out more than 480 better-paid union workers. Menzies, which operates in 31 countries and also provides workers for British Airways at Sea-Tac, has agreed to pay nearly \$8.2 million to settle a lawsuit on behalf of 738 past and current

workers, with each receiving an average payout of just under \$10,000 after attorneys' fees, court documents say.

Most of the workers made \$12 an hour instead of \$15. A spokesman for Menzies declined to comment on the settlement, which still needs court approval.

Another airport-services business, Prospect International Airport Services Corp., has agreed to pay nearly \$2 million to settle a case covering 291 workers, who stand to receive \$6,800 on average, and PrimeFlight Aviation Services has agreed to pay more than \$1.8 million to 152 employees, court records show.

"This money should have been paid," said James Kiboneka, a 61-year-old former PrimeFlight worker who says he'll use his \$8,488 payout for bills and expenses. "It's coming late, but of course this is a victory. If you don't exercise your rights under the laws, what's the good of the laws?"

At least two hotels — Cedarbrook Lodge and Best Western — have agreed to pay back wages, \$650,000 for Cedarbrook and \$150,000 for Best Western.

EAN Holdings, which operates Enterprise National Car Rental and Alamo Rent A Car, has reached individual settlements that could total about \$2.4 million with more than 350 of its current and former employees. But a small group continues to hold out and seek double back pay, arguing that the company "willfully" withheld wages and that it owes interest and other damages even to those who have already settled.

Even as they settle, some of the companies continue to insist that SeaTac's ordinance conflicts with federal law and should be invalidated. The Washington Supreme Court rejected that, but EAN has made that argument in federal court, saying the state court's decision isn't a binding interpretation of federal law.

"The fact that there are a number of unresolved legal issues shows there's room for compromise," said Jeff James, a lawyer with the firm Sebris Busto James, which represents companies in seven lawsuits. "Based on their circumstances, these companies can decide whether they want to fight to the end or reach a settlement."